No. 18-302

In the Supreme Court of the United States

ANDREI IANCU, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE, PETITIONER

v.

ERIK BRUNETTI

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF FOR THE PETITIONER

NOEL J. FRANCISCO
Solicitor General
Counsel of Record
Department of Justice
Washington, D.C. 20530-0001
SupremeCtBriefs@usdoj.gov
(202) 514-2217

TABLE OF CONTENTS

Page

A. Strict scrutiny under the First Amendment is unwarranted 2
   1. The scandalous-marks provision is not a restriction on speech 3
   2. Content-based distinctions are an inherent part of the federal trademark-registration program 5
   3. The scandalous-marks provision is viewpoint-neutral 6
B. The scandalous-marks provision satisfies First Amendment scrutiny 12
   1. The scandalous-marks provision is reasonably related to legitimate government interests 12
   2. Upholding the scandalous-marks provision would not have the adverse consequences that respondent describes 16
C. The Court's decision in *Tam* is not controlling here 18
D. The scandalous-marks provision is not unconstitutionally vague 19

TABLE OF AUTHORITIES

Cases:

Agency for Int'l Dev. v. *Alliance for Open Soc'y Int'l, Inc.*, 570 U.S. 205 (2013) 12
Bethel Sch. Dist. No. 403 v. *Fraser*, 478 U.S. 675 (1986) 8
Boulevard Entm't, Inc., In re, 334 F.3d 1336 (Fed. Cir. 2003) 10, 17, 21, 22
Central Hudson Gas & Elec. Corp. v. *Public Serv. Comm'n*, 447 U.S. 557 (1980) 16

Cases—Continued: Page

Christian Legal Soc'y Chapter of the Univ. of Cal., Hastings Coll. of the Law v. *Martinez*, 561 U.S. 661 (2010) 4, 5, 6, 14
Cohen v. *California*, 403 U.S. 15 (1971) 9
Dastar Corp. v. *Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003) 16
Davenport v. *Washington Educ. Ass'n*, 551 U.S. 177 (2007) 4, 5, 13
Denver Area Educ. Telecomms. Consortium, Inc. v. *FCC*, 518 U.S. 727 (1996) 8
Eldred v. *Ashcroft*, 537 U.S. 186 (2003) 17
FCC v. *Pacifica Found.*, 438 U.S. 726 (1978) 8, 9, 20
Fox, In re, 702 F.3d 633 (Fed. Cir. 2012) 23
Grutter v. *Bollinger*, 539 U.S. 306 (2003) 19
Holder v. *Humanitarian Law Project*, 561 U.S. 1 (2010) 20
Hughes v. *United States*, 138 S. Ct. 1765 (2018) 19
Hydra Mac, Inc. v. *Mack Trucks, Inc.*, 507 F.2d 1399 (C.C.P.A. 1975) 10
Koontz v. *St. Johns River Water Mgmt. Dist.*, 570 U.S. 595 (2013) 17
Loew's Theatres, Inc., In re, 769 F.2d 764 (Fed. Cir. 1985) 22
Maher v. *Roe*, 432 U.S. 464 (1977) 4
Marks v. *United States*, 430 U.S. 188 (1977) 18
Matal v. *Tam*, 137 S. Ct. 1744 (2017) 7, 8, 18
Mavety Media Grp. Ltd., In re, 33 F.3d 1367 (Fed. Cir. 1994) 22
McCullen v. *Coakley*, 573 U.S. 464 (2014) 17
McGinley, In re, 660 F.2d 481 (C.C.P.A. 1981) 21, 22
National Endowment for the Arts v. *Finley*, 524 U.S. 569 (1998) 4, 6, 20, 21

Cases—Continued: Page

Nichols v. *United States*, 511 U.S. 738 (1994) 19
Perry Educ. Ass'n v. *Perry Local Educators' Ass'n*, 460 U.S. 37 (1983) 5
R. A. V. v. *City of St. Paul*, 505 U.S. 377 (1992) 2, 7
Reed v. *Town of Gilbert*, 135 S. Ct. 2218 (2015) 3, 4
Regan v. *Taxation With Representation of Wash.*, 461 U.S. 540 (1983) 14
Riverbank Canning Co., In re, 95 F.2d 327 (C.C.P.A. 1938) 21
Rubin v. *Coors Brewing Co.*, 514 U.S. 476 (1995) 17
Runsdorf, In re, 171 U.S.P.Q. 443 (T.T.A.B. 1971) 21
Rust v. *Sullivan*, 500 U.S. 173 (1991) 4, 13
Seabrook Foods, Inc. v. *Bar-Well Foods Ltd.*, 568 F.2d 1342 (C.C.P.A. 1977) 10
Taniguchi v. *Kan Pac. Saipan, Ltd.*, 566 U.S. 560 (2012) 22
United States v. *American Library Ass'n*, 539 U.S. 194 (2003) 6
Yates v. *United States*, 135 S. Ct. 1074 (2015) 23
Ysursa v. *Pocatello Educ. Ass'n*, 555 U.S. 353 (2009) 3, 5, 12, 13

Constitution and statutes:

U.S. Const.:
Amend. I ..... *passim*
Amend. V 19
Act of Feb. 20, 1905, ch. 592, § 5, 33 Stat. 725 1
Lanham Act, ch. 540, 60 Stat. 427 (15 U.S.C. 1051 *et seq.*):
15 U.S.C. 1051(a) 16
15 U.S.C. 1051(b) 16
15 U.S.C. 1052 ..... 6, 10

Statutes—Continued: Page

15 U.S.C. 1052(a) ..... *passim*
15 U.S.C. 1052(e)(1) 23
15 U.S.C. 1052(e)(5) 23
15 U.S.C. 1062 20
15 U.S.C. 1111 15
15 U.S.C. 1127 15

Miscellaneous:

U.S. Patent & Trademark Office, Dep't of Commerce, *Trademark Manual of Examining Procedure* (Oct. 2018) 20

In the Supreme Court of the United States

No. 18-302

ANDREI IANCU, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, UNITED STATES PATENT AND TRADEMARK OFFICE, PETITIONER

v.

ERIK BRUNETTI

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF FOR THE PETITIONER

For more than a hundred years, Congress has prohibited federal registration of "scandalous" trademarks, *i.e.*, marks that a substantial segment of the public would find shocking. 15 U.S.C. 1052(a); see Act of Feb. 20, 1905, ch. 592, § 5, 33 Stat. 725. The only effect of that prohibition is the denial of the added benefits that come with federal registration. The owner of the mark remains free to engage in whatever speech he wishes, with or without the mark.

Respondent contends (Br. 1) that Section 1052(a)'s scandalous-marks provision restricts speech on the basis of viewpoint and is facially inconsistent with the First Amendment. The scandalous-marks provision, however, is not a restriction on speech, but a condition on government benefits. And while the provision (like

all of Section 1052(a)'s registration criteria) is based on the *content* of applicants' marks, it is *viewpoint*-neutral. The provision renders certain marks ineligible for registration not because they are thought to convey offensive *ideas*, but because they reflect an offensive "*mode* of expressing *whatever* idea the speaker wishes to convey." *R. A. V.* v. *City of St. Paul*, 505 U.S. 377, 393 (1992).

Under settled First Amendment principles, the scandalous-marks provision survives constitutional scrutiny because it is a reasonable, viewpoint-neutral condition on the availability of government benefits. The court of appeals' contrary judgment should be reversed.

A. Strict Scrutiny Under The First Amendment Is Unwarranted

Respondent contends that strict scrutiny is warranted under the First Amendment because (i) Section 1052(a)'s scandalous-marks provision discriminates based on viewpoint (Br. 9-19), and (ii) the provision "restricts speech" (Br. 19). Both of those characterizations are unsound. The scandalous-marks provision is viewpoint-neutral, and it is a condition on a government benefit rather than a restriction on speech. To treat the provision as a viewpoint-based speech restriction would call into doubt not only the Lanham Act's many other trademark-registration criteria, but also the exclusion of sexually explicit, profane, and other vulgar material from government forums and programs across the country.

1. The scandalous-marks provision is not a restriction on speech

Throughout his brief, respondent refers to Section 1052(a)'s scandalous-marks provision as a content-based "prohibition" on speech. Resp. Br. 12; see also, *e.g.*, *id.* at 7, 13, 25, 36. Respondent argues (Br. 19) that, when the government "restricts speech based on content," strict scrutiny should apply.

As our opening brief explains (at 20-25), however, the scandalous-marks provision does not restrict speech. It does not prohibit respondent from using the mark "FUCT" as his brand, as he has been doing for nearly 30 years, C.A. App. A52, or in advertising or other promotional materials. Nor does it prohibit him from engaging in any other speech or conduct. The only consequence of the USPTO's determination that the mark is "scandalous" was to render unavailable the additional commercial benefits that come with federal registration —benefits that are directly attributable to the substantial resources the USPTO devotes to examination, publication, and maintenance of registered trademarks. Gov't Br. 20-25. This Court has long held that, when the government "does not restrict" speech "but rather declines to promote" it, strict scrutiny is generally unwarranted. *Ysursa* v. *Pocatello Educ. Ass'n*, 555 U.S. 353, 355 (2009).

Respondent's reliance (Br. 19-20) on *Reed* v. *Town of Gilbert*, 135 S. Ct. 2218 (2015), therefore is misplaced. The Town of Gilbert had "prohibit[ed] the display of outdoor signs * * * without a permit," while exempting certain categories of signs based on their content. *Id.* at 2224. Because the Town had imposed a content-based "restriction on truthful speech," *id.* at 2232 (citation omitted), the Court required it "to prove that the

restriction furthers a compelling interest and is narrowly tailored to achieve that interest," *id.* at 2231 (citation omitted).

Section 1052(a), by contrast, prohibits federal *registration* of scandalous trademarks, but it does not restrict the use of such marks in commerce or otherwise limit the speech in which respondent may engage. Rather, it is a condition on the availability of the governmentally conferred benefits that flow from federal trademark registration. Strict scrutiny is generally unwarranted when "the government is acting in a capacity other than as regulator," *Davenport* v. *Washington Educ. Ass'n*, 551 U.S. 177, 188 (2007), and the government is acting in a non-regulatory capacity here.

In seeking to avoid that conclusion, respondent argues (Br. 25-26, 28-30) that the precedents cited in our opening brief involved government benefits different from those at issue here. He contends (Br. 28), for example, that the Court's "government subsidy" cases are inapposite because the benefits there took the form of direct monetary payments. The Court's decisions in such cases as *National Endowment for the Arts* v. *Finley*, 524 U.S. 569 (1998), and *Rust* v. *Sullivan*, 500 U.S. 173 (1991), however, did not turn on the particular nature of the benefits at issue. Rather, they turned on the "basic difference between direct state interference with a protected activity and state encouragement of an alternative activity consonant with legislative policy." *Maher* v. *Roe*, 432 U.S. 464, 475 (1977); see *Finley*, 524 U.S. at 588 (quoting *Maher*, 432 U.S. at 475); *Rust*, 500 U.S. at 193 (same); see also *Christian Legal Soc'y Chapter of the Univ. of Cal., Hastings Coll. of the Law* v. *Martinez*, 561 U.S. 661, 687 n.17 (2010) (invoking the

"distinction between state *prohibition* and state *support*" in applying a "lesser standard of scrutiny" to content-based limitations on access to a limited public forum); *id.* at 682-683 (drawing the same distinction). Strict scrutiny thus is generally inapplicable to content-based conditions on government benefits, whether or not those benefits involve the payment of federal funds to or on behalf of private beneficiaries.

That principle likewise underlies this Court's decisions in *Davenport* and *Ysursa*. In *Davenport*, the government benefit at issue was the "power" of a public-sector union to "levy fees on government employees who do not wish to join the union," 551 U.S. at 184; in *Ysursa*, it was the "use" by such a union of "government payroll mechanisms for the purpose of obtaining funds" for "political activities," 555 U.S. at 355. The Court's decisions in both cases rested on the same basic distinction between an "abridgment" of speech and a decision not to "support" it. *Id.* at 359; see *Davenport*, 551 U.S. at 188-189.

By attempting to distinguish the foregoing cases on their facts, respondent fails to appreciate the deeper principle for which they all stand. The scandalous-marks provision is not a restriction on speech, and respondent cannot justify strict scrutiny by treating it as one.

2. Content-based distinctions are an inherent part of the federal trademark-registration program

As our opening brief explains (at 25-26), content-based distinctions are an "inherent and inescapable" part of any trademark-registration program. *Perry Educ. Ass'n* v. *Perry Local Educators' Ass'n*, 460 U.S. 37, 49 (1983). In that respect, Section 1052(a)'s scandalous-

marks provision is not unique. Rather, *all* of the registration criteria set forth in Section 1052 are based on the content of applicants' marks. 15 U.S.C. 1052; see Gov't Br. 25. Those criteria have not heretofore been thought to raise meaningful First Amendment concerns, and application of strict scrutiny to all of them would severely impede the administration of the federal registration program.

Although respondent urges this Court (Br. 46) not to "speculate about the constitutionality of other Lanham Act provisions," he does not dispute that, under his view, those other provisions would likewise be subject to strict scrutiny. But just as strict scrutiny is "incompatible" with the "content-based judgments" that a public library must make "in selecting the material it provides to its patrons," *United States* v. *American Library Ass'n*, 539 U.S. 194, 204-205 (2003) (plurality opinion), and just as it is "incompatible" with the "content-based criteria" that the government must apply in selecting artists to fund, *id.* at 205 (citing *Finley*, 524 U.S. at 585), so too strict scrutiny is incompatible with the content-based (but viewpoint-neutral) distinctions that the USPTO must draw in determining whether particular marks are eligible for federal registration. Because no trademark-registration program could operate without taking into account the content of applicants' marks, strict scrutiny is particularly unwarranted here. Cf. *Christian Legal Soc'y*, 561 U.S. at 681 (declining to apply strict scrutiny where it "would, in practical effect, invalidate a defining characteristic" of a limited public forum).

3. The scandalous-marks provision is viewpoint-neutral

a. Our opening brief explains (at 26-30) why, unlike the disparaging-marks provision that the Court struck

down in *Matal* v. *Tam*, 137 S. Ct. 1744 (2017), the scandalous-marks provision is viewpoint-neutral. In resisting that conclusion (Resp. Br. 9-19), respondent explains that scandalous marks are refused registration because they are offensive, and he invokes Justice Alito's statement for four Justices in *Tam* that "[g]iving offense is a viewpoint." *Id.* at 9 (quoting *Tam*, 137 S. Ct. at 1763 (Alito, J.)).

Read in context, however, the language quoted above simply asserts that "[g]iving offense is a viewpoint" when the source of the offense is the "'ideas'" expressed. 137 S. Ct. at 1763 (Alito, J.) (citation omitted). Immediately after stating that "[g]iving offense is a viewpoint," Justice Alito explained that "'the public expression of ideas may not be prohibited merely because the ideas are themselves offensive to some of their hearers.'" *Ibid.* (citation omitted). The Court in *Tam* found that Section 1052(a)'s disparagement provision discriminated based on viewpoint because that provision banned the registration of marks "on the ground that [they] expresse[d] ideas that offend." *Id.* at 1751; see *id.* at 1766 (Kennedy, J.) (concluding that the disparagement provision "reflects the Government's disapproval of a subset of messages it finds offensive").

The scandalous-marks provision is different. As our opening brief explains (at 27), "scandalous" marks are ineligible for registration not because they are thought to convey offensive *ideas*, but because such marks reflect an offensive "*mode* of expressing *whatever* idea the speaker wishes to convey." *R. A. V.*, 505 U.S. at 393. A mark is "scandalous" if, for example, it contains sexually explicit or profane material. Gov't Br. 27; see, *e.g.*, Gov't C.A. Supp. Letter Br. Add. 1 (July 20, 2017) (providing a sample of vulgar marks for which the USPTO

had refused registration). This Court has never regarded laws that target such vulgarity as discriminating based on viewpoint. See, *e.g.*, *Denver Area Educ. Telecomms. Consortium, Inc.* v. *FCC*, 518 U.S. 727, 747 (1996) (plurality opinion); *Bethel Sch. Dist. No. 403* v. *Fraser*, 478 U.S. 675, 685 (1986); *FCC* v. *Pacifica Found.*, 438 U.S. 726, 746 nn.22-23 (1978) (plurality opinion). Rather, such vulgarity has long been understood to be "offensive irrespective of any message" sought to be conveyed. *Pacifica*, 438 U.S. at 746 n.23 (plurality opinion).

If it were otherwise, governments could not prevent advertisers from placing sexually explicit images or profanity on city buses and billboards. Gov't Br. 30. Nor could they exclude such vulgar material from other limited public forums. *Ibid.* Respondent contends (Br. 46) that the Court's decision here "will not affect the jurisprudence about forums." But even within a limited public forum, "'viewpoint discrimination' is forbidden." *Tam*, 137 S. Ct. at 1763 (Alito, J.) (citation omitted). Respondent does not explain how the federal government, States, or localities could continue to keep such forums free of sexually explicit and other vulgar material, if such efforts were deemed viewpoint-discriminatory.

b. Respondent argues (Br. 12) that the use of profanity itself expresses a viewpoint—namely, "nonconformance to conventional social mores." Nevertheless, both on its face and as applied to respondent's trademark, the scandalous-marks provision reflects Congress's objection "not to this point of view, but to the way in which it is expressed." *Pacifica*, 438 U.S. at 746 n.22 (plurality opinion). The ban on federal registration of marks that contain profanity reflects the fact that a substantial composite of society regards profanity as an

offensive mode of expression, even when it is used to express the view that profanity is "harmless." *Ibid.*

Cohen v. *California*, 403 U.S. 15 (1971), is not to the contrary. Although the State in *Cohen* had objected to the defendant's use of profanity in expressing an antidraft message, *id.* at 16-17, the Court did not treat that objection as one based on the defendant's viewpoint. Rather, the Court distinguished the defendant's "manner" of expression from the underlying "message" he sought to convey. *Id.* at 19; see Gov't Br. 29.

To be sure, the Court in *Cohen* ruled in the defendant's favor, sustaining his First Amendment challenge to the application of state law to his vulgar speech. See 403 U.S. at 26. The Court's holding was limited by its terms, however, to laws that *prohibit* the use of vulgar words in public places. Thus, the Court stated its "judgment that, absent a more particularized and compelling reason for its actions, the State may not * * * make the simple public display here involved of this single four-letter expletive a criminal offense." *Ibid.* That holding reflects the fact that content-based *restrictions on speech* are often incompatible with the First Amendment even when they are viewpoint-neutral. It does not cast doubt on the Lanham Act provision at issue here, which does not restrict the *use* of scandalous marks but simply denies such marks the benefits associated with federal registration. See pp. 3-5, *supra*.[1]

---

[1] Contrary to respondent's suggestion (Br. 17), neither the government's argument that the scandalous-marks provision is viewpoint-neutral, nor our overall constitutional defense of that provision, rests on any "contention that only the idea is protected." The First Amendment substantially constrains the government's ability to restrict private speech, even when the restriction at issue focuses

c. Respondent observes (Br. 11) that application of the scandalous-marks provision turns on the "*degree*" of a mark's offensiveness. But that fact simply reinforces the conclusion, which the government has never disputed, that the provision is *content*-based. The fact that "scandalous[ness]" is a matter of degree does not logically suggest that the provision discriminates based on viewpoint.

Respondent also asserts (Br. 15) that application of the scandalous-marks provision turns on "the applicant's intended meaning." That is incorrect. Under the scandalous-marks provision—as under Section 1052 generally—the applicant's subjective intent is not determinative. The inquiry turns instead on how consumers would perceive the mark in the context of the goods or services identified in the registration application. See *In re Boulevard Entm't, Inc.*, 334 F.3d 1336, 1340 (Fed. Cir. 2003) (explaining that whether a mark is scandalous "must be determined from the standpoint of a substantial composite of the general public"); cf., *e.g.*, *Seabrook Foods, Inc.* v. *Bar-Well Foods Ltd.*, 568 F.2d 1342, 1344 (C.C.P.A. 1977) (focusing on the "impression on consumers" rather than on the applicant's "intentions" in determining distinctiveness); *Hydra Mac, Inc.* v. *Mack Trucks, Inc.*, 507 F.2d 1399, 1400 (C.C.P.A. 1975) (focusing on the "actual impression created by the mark" rather than on the "impression intended by the user" in determining likelihood of confusion) (emphasis omitted).

---

solely on the speaker's "mode of expression." *Ibid.* The government's defense of the scandalous-marks provision depends on *both* the viewpoint-neutral character of that provision *and* the fact that it addresses eligibility for a government benefit rather than restricts private speech.

To be sure, particular words may have multiple meanings, some vulgar and some innocuous. Whether consumers will regard a particular mark as offensive therefore may turn on the context in which such a word appears. See pp. 22-23, *infra*. The scandalous-marks provision might be somewhat easier for USPTO examining attorneys to administer if its application was based solely on a pre-existing list of categorically unregistrable words. Such an approach, however, would preclude registration of many marks that consumers would not find offensive in context. In any event, the USPTO's consideration of context in determining whether particular marks are scandalous does not suggest that the provision is viewpoint-based.

d. Respondent asserts that the USPTO's Trademark Trial and Appeal Board (TTAB or Board) found his mark "offensive *because* he 'critique[d] capitalism, government, religion and pop culture,'" and that the application of the scandalous-marks provision to his own mark therefore reflected viewpoint-based discrimination. Resp. Br. 7 (quoting Pet. App. 57a) (brackets in original). That is incorrect. Although the Board noted in passing that respondent had engaged in such critiques, Pet. App. 57a, it did not treat that fact as relevant to the registration decision. Rather, it explained that respondent's mark was unregistrable because the evidence demonstrated that "FUCT" would be perceived as the "slang and literal equivalent" of the past tense of a vulgar word. *Id.* at 61a; see *id.* at 64a (finding that the mark, "as used by [respondent], will be perceived by his targeted market segment as the phonetic equivalent" of a vulgar word); *id.* at 65a (finding "FUCT" to be the "phonetic twin" of a "vulgar" and "extremely offensive" word).

Respondent has never contended that the mark itself expresses any "critique" of "capitalism, government, religion and pop culture." Pet. App. 57a. Before the USPTO, he averred both that "FUCT" was "an arbitrary made up word," and that "to the extent I am asked for a meaning I refer to FRIENDS U CAN'T TRUST." J.A. 38. But he does not contend that the USPTO denied registration based on disagreement with *that* message, and his claim that he was the victim of viewpoint discrimination has no support in the record.

B. The Scandalous-Marks Provision Satisfies First Amendment Scrutiny

When the government "does not restrict" speech "but rather declines to promote" it in a viewpoint-neutral way, *Ysursa*, 555 U.S. at 355, the appropriate First Amendment inquiry turns on (1) whether the statute is "reasonabl[y]" related to a legitimate government interest, *ibid.*; and (2) whether the statute imposes an "unconstitutional condition" by seeking to "leverage" government benefits "to regulate speech outside the contours of the [government] program itself," *Agency for Int'l Dev.* v. *Alliance for Open Soc'y Int'l, Inc.*, 570 U.S. 205, 214-216 (2013). Both on its face and in its application to respondent's mark, the scandalous-marks provision satisfies those requirements.

1. The scandalous-marks provision is reasonably related to legitimate government interests

Respondent does not contend that Section 1052(a)'s scandalous-marks provision runs afoul of this Court's unconstitutional-conditions precedents. Rather, he argues (Br. 23) that the scandalous-marks provision "cannot survive any applicable level of scrutiny" because it

is not "narrowly drawn" to serve a "substantial governmental interest." That argument misstates the applicable level of scrutiny. As in other contexts where "the government is acting in a capacity other than as regulator," *Davenport*, 551 U.S. at 188, the scandalous-marks provision satisfies First Amendment review if it is "reasonabl[y]" related to a legitimate government interest, *Ysursa*, 555 U.S. at 355. That standard reflects Congress's broad discretion to "encourage certain activities it believes to be in the public interest." *Rust*, 500 U.S. at 193.

As our opening brief explains (at 31-38), the scandalous-marks provision satisfies that standard. Respondent's counterarguments lack merit.

a. Respondent argues that the government lacks a "substantial interest justifying broad suppression of speech." Resp. Br. 22 (quoting Pet. App. 34a). The scandalous-marks provision, however, does not "suppress[]" any speech. Rather, Congress has imposed reasonable conditions on the availability of commercial advantages that attend federal trademark registration and that are directly attributable to the USPTO's commitment of substantial resources to the examination, publication, and maintenance of registered trademarks. By rendering those advantages unavailable for marks that contain sexually explicit, profane, or other vulgar material, the government aims, among other things, to encourage the use of marks that are appropriate for all audiences, including children. Gov't Br. 32-33.

Respondent asserts (Br. 23) that the scandalous-marks provision does not "advance" that interest because "trademark owners can use their trademarks in any event." That observation simply underscores that the scandalous-marks provision does not restrict the

speech of respondent or any other would-be registrant. See pp. 3-5, *supra*. Respondent is also wrong in suggesting that the government can advance an interest only by prohibiting the conduct that it wishes to discourage. See *Christian Legal Soc'y*, 561 U.S. at 683 (explaining that a government may "dangl[e] the carrot of subsidy" as well as "wield[] the stick of prohibition"); *Regan* v. *Taxation With Representation of Wash.*, 461 U.S. 540, 550 (1983) (similar).

Respondent also argues (Br. 23) that the government could advance the same interest simply by requiring "login and age verification to view offensive marks on the [USPTO] website." That proposed approach would be both cumbersome and unresponsive to the problems that the scandalous-marks provision seeks to address. The possibility that minors might scour the federal trademark register for titillating marks, or might stumble on such marks accidentally in the course of internet research, is neither a real-world concern nor one that the government has ever invoked as a rationale for the registration ban. Login and age-verification measures would do nothing to discourage the *commercial* use of scandalous marks in the countless places where goods or services are sold or marketed to the public, including to children. See Pet. App. 55a (observing that respondent sought to register the mark "FUCT" for children's and infants' apparel).

b. Respondent disputes (Br. 22-23) the existence of a meaningful relationship between the scandalous-marks provision and the orderly flow of commerce. That relationship, however, derives from the very nature of a scandalous mark. A mark that many consumers find shocking creates an evident risk of marketplace

disruption. Gov't Br. 33-34. The scandalous-marks provision promotes the orderly flow of commerce by discouraging such disruption.

c. As our opening brief explains (at 34-36), the government's interest in avoiding the appearance of government approval of scandalous marks provides a distinct rationale for the registration ban. In discounting that interest, respondent observes (Br. 27) that the *Tam* Court rejected a "government speech" argument. The argument here, however, is not that trademarks are government speech. Rather, it is that the government may reasonably seek to avoid the appearance that it approves of marks so vulgar that they would shock a substantial segment of the public. Gov't Br. 34-36. Respondent contends (Br. 27) that, instead of denying registration of such marks, the government could simply "add a disclaimer" to the certificates of registration that it issues to the marks' owners. But such a disclaimer would do little to dispel the appearance of government approval in the eyes of the public, which would still see the marks displayed with the ® symbol or "the words 'Registered in U.S. Patent and Trademark Office or 'Reg. U.S. Pat. & Tm. Off.'" 15 U.S.C. 1111.

d. The inherently commercial nature of trademarks and trademark registration reinforces the constitutionality of the scandalous-marks provision. Gov't Br. 36-38. Respondent asserts (Br. 32) that "[m]any trademarks are non-commercial." But federal law defines the term "trademark" as "any word, name, symbol, or device, or any combination thereof * * * used by a person * * * *to identify and distinguish his or her goods * * * from those manufactured or sold by others* and *to indicate the source of the goods.*" 15 U.S.C. 1127 (emphases added); see *ibid.* (defining "service mark" in

similar terms). And actual or intended use of a mark in commerce is a statutory prerequisite to federal registration. See 15 U.S.C. 1051(a) and (b). The benefits of trademark registration are entirely commercial in nature, giving mark owners particular advantages in suppressing the speech of their competitors in the marketplace for goods and services. Gov't Br. 37. Congress enjoys broader discretion when legislating in the commercial sphere, see *Central Hudson Gas & Elec. Corp.* v. *Public Serv. Comm'n*, 447 U.S. 557, 562 (1980), and Section 1052(a)'s scandalous-marks provision is a reasonable exercise of that discretion.

Respondent also asserts (Br. 33) that "many trademarks convey messages." Before the USPTO, however, respondent specifically disclaimed any suggestion that his own mark was expressive. See p. 12, *supra*. And, to the extent that respondent wishes to incorporate the mark "FUCT" into advertisements or other expressive materials, the statutory ban on federal *registration* does not prevent him from using the mark for any expressive purpose he wishes.

2. Upholding the scandalous-marks provision would not have the adverse consequences that respondent describes

As our opening brief explains (at 43-45), upholding the scandalous-marks provision would have no necessary implications for the constitutionality of a hypothetical statute that imposed analogous limits on registration of copyrights. Trademarks protect mere source identifiers, whereas copyrights protect creative works themselves. Gov't Br. 44. Trademark protection thus "has no necessary relation to invention or discovery," *Dastar Corp.* v. *Twentieth Century Fox Film Corp.*,

539 U.S. 23, 34 (2003) (citation omitted), whereas copyright protection "supplies the economic incentive to create and disseminate ideas," *Eldred* v. *Ashcroft*, 537 U.S. 186, 219 (2003) (citation omitted). Because a core purpose of the First Amendment is to "preserve an uninhibited marketplace of ideas in which truth will ultimately prevail," *McCullen* v. *Coakley*, 573 U.S. 464, 476 (2014) (citation omitted), that difference between the two regimes would be a salient one in the First Amendment analysis.

Respondent is also wrong in suggesting (Br. 48-49) that upholding the scandalous-marks provision would allow state and local governments to deny permits or licenses, or to restrict business-related expressive activity, based on an applicant's vulgar speech. Assuming that a business satisfied other applicable requirements, this Court's unconstitutional-conditions precedents would protect it from the denial of a permit or license based on the applicant's vulgar mode of expression. See *Koontz* v. *St. Johns River Water Mgmt. Dist.*, 570 U.S. 595, 604 (2013); Gov't Br. 38-40. State efforts to prohibit vulgar product labels (Resp. Br. 49) might occasionally present difficult First Amendment issues, but the Court's decision in this case will have no necessary implications for the resolution of those disputes. Although governmental bodies often have more extensive authority to regulate product labeling as commercial expression, a prohibition on vulgar labels still would appropriately be analyzed as a restriction on speech. See, *e.g.*, *Rubin* v. *Coors Brewing Co.*, 514 U.S. 476, 481-482 (1995). Here, by contrast, "the refusal to register a mark does not proscribe any conduct or suppress any form of expression." *Boulevard Entm't*, 334 F.3d at 1343.

C. The Court's Decision In *Tam* Is Not Controlling Here

All eight Justices who participated in *Tam* agreed that Section 1052(a)'s ban on registration of "disparag[ing]" trademarks discriminates based on viewpoint. 137 S. Ct. at 1763 (Alito, J.); *id.* at 1765 (Kennedy, J.). That determination led Justice Alito and Justice Kennedy, each writing on behalf of four Justices, to conclude that the disparagement provision is unconstitutional. *Id.* at 1763-1764 (Alito, J.); *id.* at 1765-1769 (Kennedy, J.). Both Justice Alito and Justice Kennedy, however, "lef[t] open" whether a viewpoint-*neutral* provision could "be saved by analyzing [trademark registration] as a type of government program in which some content- and speaker-based restrictions are permitted." *Id.* at 1763 & n.16 (Alito, J.); see *id.* at 1768 (Kennedy, J.) (leaving open how a viewpoint-neutral provision "should be analyzed under the First Amendment"). Because Section 1052(a)'s scandalous-marks provision is viewpoint-neutral, the Court's decision in *Tam* does not control the outcome here. See Gov't Br. 15-18.

Respondent asks this Court (Br. 50-66) to revisit the rule in *Marks* v. *United States*, 430 U.S. 188 (1977), for identifying the precedential effect of divided decisions of this Court. The only reason he gives for doing so (Br. 29-30) is to determine the precedential status of certain parts of Justice Alito's opinion in *Tam* that addressed issues that Justice Kennedy did not reach. Because Justice Kennedy did not reach those issues, see *Tam*, 137 S. Ct. at 1765, however, his opinion is plainly the narrower of the two. No further analysis is necessary to determine that Justice Alito's opinion on those issues, on behalf of four Justices, lacks the status of binding precedent. Indeed, even under the so-called "Dual-Majority" rule that respondent endorses (Br. 50 n.13),

those portions of Justice Alito's opinion would not be entitled to precedential effect because they lacked the support of a "majority on the reasoning."

When the Court has previously reviewed a dispute about the application of *Marks* to a fractured prior decision, it has simply revisited the underlying legal issue rather than "pursu[ing] the *Marks* inquiry to the utmost logical possibility." *Nichols* v. *United States*, 511 U.S. 738, 746 (1994); see, *e.g.*, *Hughes* v. *United States*, 138 S. Ct. 1765, 1772 (2018); *Grutter* v. *Bollinger*, 539 U.S. 306, 325 (2003). There is no reason to follow a different course here.

D. The Scandalous-Marks Provision Is Not Unconstitutionally Vague

In his brief at the petition stage (at i, 17), respondent urged the Court to grant review not only on the First Amendment question presented in the petition for a writ of certiorari, but also on the question whether Section 1052(a)'s scandalous-marks provision is unconstitutionally vague under the First and Fifth Amendments. Although the government likewise urged the Court (Cert. Reply Br. 4) to "consider the vagueness question so that the constitutionality of the scandalous-marks provision can be definitively resolved," the Court granted the petition without requesting briefing on vagueness. Accordingly, the government did not address the question in its opening brief. In any event, respondent's vagueness argument (Br. 33-45) provides no sound basis for setting aside the USPTO's denial of his registration application.

1. As the court of appeals explained, the present tense of the word for which "FUCT" is a homonym is an "indisputably vulgar term." Pet. App. 40a; see *id.* at 6a;

Pacifica, 438 U.S. at 738-741.[2] The evidence demonstrated that "FUCT" would be perceived as "a slang and literal equivalent" of the past tense of that term. Pet. App. 61a; see *id.* at 6a-7a. The court therefore saw "no definition of scandalous that, in light of the [USPTO's] fact findings, would exempt [respondent's] mark." *Id.* at 10a. Because his own mark is clearly covered by the statutory ban on registration, respondent "cannot complain of the vagueness of the law as applied to the conduct of others." *Holder* v. *Humanitarian Law Project*, 561 U.S. 1, 19 (2010).[3]

2. Section 1052(a)'s scandalous-marks provision does not prohibit speech or impose any civil or criminal penalties, but simply precludes the government from providing a specified form of assistance to marks that contain scandalous material. Gov't Br. 20-25. When a statute neither prohibits nor penalizes speech, but simply confers benefits on speakers whose expression satisfies certain criteria, the vagueness standard is relaxed because there is less concern about chilling speech. See *Finley*, 524 U.S. at 588-589. Although re-

---

[2] Respondent's current contention that "[t]he name of [his] brand is pronounced as four letters, one after another," Resp. Br. 1, lacks any record support, and it is contrary to the Board's finding that respondent's mark "will be perceived by his targeted market segment as the phonetic equivalent of" a vulgar term, Pet. App. 64a.

[3] Contrary to respondent's suggestion (Br. 2-3, 42), there was nothing inappropriate about the USPTO's decision to withdraw his application from publication in the agency's *Official Gazette*. C.A. App. A198; see 15 U.S.C. 1062. Even after an application has been approved for publication, the USPTO has a duty to correct any errors discovered through internal quality review. See USPTO, Dep't of Commerce, *Trademark Manual of Examining Procedure* §§ 706.01, 1504.01 (Oct. 2018).

spondent had been using the "FUCT" mark in commerce for many years before the USPTO determined that it was "scandalous," the agency's decision did not expose respondent to potential penalties for his prior or ongoing use of the mark, but simply denied him the benefits associated with federal trademark registration.

Under the more lenient standard that applies in this context, the Court has upheld even criteria that are "undeniably opaque" because "[i]n the context of selective subsidies," "the consequences of imprecision are not constitutionally severe." *Finley*, 524 U.S. at 588-589; see *id.* at 599 (Scalia, J., concurring in the judgment) ("Insofar as it bears upon First Amendment concerns, the vagueness doctrine addresses the problems that arise from government *regulation* of expressive conduct, not government grant programs.") (citation omitted). The scandalous-marks provision satisfies that standard. The term "scandalous" has long been given "its ordinary and common meaning," as encompassing material that is "'shocking to the sense of . . . propriety'" or "'offens[ive] to the conscience or moral feelings.'" *In re Riverbank Canning Co.*, 95 F.2d 327, 328 (C.C.P.A. 1938) (citation omitted). And it is well-established that the USPTO may prove that a mark is scandalous by showing that it is "[v]ulgar." *In re Runsdorf*, 171 U.S.P.Q. 443, 444 (T.T.A.B. 1971); see *Boulevard Entm't*, 334 F.3d at 1340.[4]

---

[4] Pertinent judicial decisions have not given the term "immoral" any meaning independent from the term "scandalous." 15 U.S.C. 1052(a); see *In re McGinley*, 660 F.2d 481, 484 n.6 (C.C.P.A. 1981) ("not[ing] the dearth of reported trademark decisions in which the term 'immoral' has been directly applied").

Contrary to respondent's contention (Br. 34-35, 42), the USPTO does not allow individual examining attorneys to rely on their own subjective views to determine whether registration of a particular mark is prohibited by the scandalous-marks provision. Instead, whether a mark "is scandalous is to be ascertained from the standpoint of * * * a substantial composite of the general public." *In re McGinley*, 660 F.2d 481, 485 (C.C.P.A. 1981). Although respondent is critical (Br. 43-44) of that standard, the public understanding of a mark provides an "objective measure" of the mark's meaning. *In re Mavety Media Grp. Ltd.*, 33 F.3d 1367, 1371 (Fed. Cir. 1994). And while respondent faults the USPTO (Br. 44-45) for relying on dictionary definitions, dictionaries are often a reliable indicator of the public understanding of a word. See, *e.g.*, *Taniguchi* v. *Kan Pac. Saipan, Ltd.*, 566 U.S. 560, 567 (2012). Indeed, "dictionary definitions represent an effort to distill the collective understanding of the community with respect to language and thus clearly constitute more than a reflection of the individual views of either the examining attorney or the dictionary editors." *Boulevard Entm't*, 334 F.3d at 1340.[5]

3. Alleged inconsistencies in the application of the scandalous-marks provision (Resp. Br. 38-41) do not establish that the provision is unconstitutionally vague.

Many alleged inconsistencies between agency decisions granting and refusing registration of similar marks can be explained by differences in context and contemporary attitudes. As our opening brief explains

---

[5] Although consumer surveys regarding a word's meaning "would no doubt be instructive," *Boulevard Entm't*, 334 F.3d at 1341, the USPTO's "limited resources" make such surveys infeasible in the agency's ex parte examination process, *In re Loew's Theatres, Inc.*, 769 F.2d 764, 768 (Fed. Cir. 1985).

(at 45-46), the determination whether a mark is scandalous must be made in the context of the goods or services identified in the registration application. See *In re Fox*, 702 F.3d 633, 635 (Fed. Cir. 2012). Because "the same words, placed in different contexts, sometimes mean different things," *Yates* v. *United States*, 135 S. Ct. 1074, 1082 (2015) (plurality opinion), the fact that the same (or similar) words appear in some marks granted registration and other marks refused registration does not, by itself, establish any inconsistency. And because the determination whether a mark is scandalous must be made "in the context of contemporary attitudes," "what constitutes 'immoral ... or scandalous matter' has evolved over time." *Fox*, 702 F.3d at 635 (citations omitted). Those factors make it particularly inappropriate to infer unconstitutional vagueness from purportedly inconsistent registration decisions.

In addition, the purported inconsistencies that respondent and his amici identify are between decisions of individual USPTO examining attorneys, not between precedential decisions of the TTAB. As our opening brief explains (at 47), Congress has established mechanisms for identifying and correcting alleged examiner errors through administrative and judicial review. Those are the same mechanisms that the agency and reviewing courts use to address claims of examiner error in the application of other content-based registration criteria (*e.g.*, the statutory bans on registration of marks that are "merely descriptive" or "functional," 15 U.S.C. 1052(e)(1) and (5)) whose constitutionality has not heretofore been questioned. The alleged inconsistencies that respondent has identified thus provide no sound basis for declaring the scandalous-marks provision facially invalid.

* * * * *

For the foregoing reasons and those stated in our opening brief, the judgment of the court of appeals should be reversed.

Respectfully submitted.

NOEL J. FRANCISCO
Solicitor General

APRIL 2019